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charter and abolishing the city. On the same day an act was passed incorporating the Port of Mobile which included nearly all of the old city within its limits. In an action brought by a creditor of the old city two questions were raised. 1. Whether a preceding creditor was entitled to a judgment against the Port of Mobile on an obligation of the City of Mobile? 2. Whether the power of taxation existing when the debt was created by the City of Mobile could be enforced in favor of the creditor? Both questions were decided in favor of the creditor and the court issued a mandamus against the Port to compel payment. *Mobile v. Watson*, 116 U. S. 289. In *Amy v. Selma*, 77 Ala. 103, it was held that a new corporation named Selma created to replace one named City of Selma, which had been dissolved, was its successor and liable for its debts. See also *Meyer v. Porter*, 65 Cal. 67. A statute extinguishing one corporation and throwing its obligations upon another raises an implied promise on the part of the successor to pay the same. *Little v. Union Township Committee*, 40 N. J. L. 397.

The power of taxation by a municipal corporation and its limitations at the date of contract become part of the contract, and continue in favor of a creditor under such contract without regard to subsequent reductions of the limitation of the power. *Morris v. State*, 62 Texas 728; *U. S. v. Port of Mobile*, 12 Fed. 768. Where there is a mode provided by statute for levying taxes to pay a debt, it is a part of the obligation, and any subsequent act which affects rights under the contract is void. *Siebert v. Lewis*, 122 U. S. 284. Where a municipal corporation entered into a contract while a law giving a remedy by compulsory taxation was in force, the repeal of the law and the adoption of a new constitution forbidding the levy of a tax in such case were held to be unconstitutional and void as impairing the obligation of contract. *Sawyer v. Concordia*, 12 Fed. 754. Although such legislation has been plentiful the courts have been diligent in protecting the interests of the creditors.

UNION REFRIGERATOR TRANSIT CO V. KENTUCKY. 199 U. S. 194.

This case came up on an attempt by the state of Kentucky to tax the corporation, which does business under a Kentucky charter, on 2000 of its cars, which were all the cars owned and operated by the corporation in various states of the Union and of which less than a hundred were operated in the state of Kentucky. The plaintiff's contention is that only those cars operated in the state of Kentucky, and therefore under its protection, should be taxed and not those cars employed in other states in the prosecution of its business and therefore permanently located there.

The attempted taxation is charged to be a violation of the due process of law clause of the Fourteenth Amendment.

Mr. Justice Brown wrote the opinion sustaining the plaintiff's contention, basing his decision on the following principles: the power of taxation is exercised upon the assumption of an equivalent rendered to the taxpayer in protection to his person or property and in other matters; if the property is wholly within the taxing power of another state to which it may be said to owe allegiance and to which it looks for protection, and if the power attempting to tax is not in a position to benefit or protect the property or person to be taxed, the taxation, based merely upon domicile, partakes rather of the nature of extortion than taxation; it is therefore beyond the power of the legislature of Kentucky to lay such a tax. It is to be observed that this case does not involve the question of the taxation of intangible personal property, or of inheritance or succession taxes, nor questions arising between different municipalities or taxing districts within the same state.

Chief Justice Fuller and Justice Holmes agreed in the decision arrived at but doubted the application of the Fourteenth Amendment to the result.

THE RIGHT OF A CARRIER TO DEAL IN THE GOODS IT CARRIES.

Railroad rates and rebates, railroad regulations and remedies have occupied the attention of the American public through debates in Congress, comments in the newspapers and criticism in the magazines to the exclusion, altogether, of other pressing questions in world politics. The situation in this country upon the subject resembles, to a marked degree, the present English discussion on tariff reform; both seem to be universally misunderstood.

As a commentary upon the rate problem the recent opinion of Mr. Justice White of the Supreme Court, showing as it does both the strength and the weakness of the present legislation, is like a bell in the fog of popular misconception. Considering the Interstate Commerce Act of 1887 in a phase never before squarely presented before it, the Supreme Court of the United States in *New York, N. H. & H. R. Co. v. Interstate Commerce Com.*, 26 Sup. Ct. 272, affirmed and enlarged an injunction granted below restraining the Chesapeake & Ohio R. Co. from further executing an agreement to deliver coal in New Haven at \$2.75 per ton when the cost of purchase of the coal at the mines, plus the cost of delivery and the published freight rates, aggregated \$3.92 per ton.